

Social Security Administration

Internal Revenue Service

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for Employers

2001 IRS Nationwide Tax Forums

The 2001 IRS Nationwide Tax Forums are three-day conferences organized for the benefit of the tax professional community. These programs include a variety of informative seminars designed to provide the tax professional community with the latest and most complete information on IRS and SSA programs, practices, and policies and the most recent Electronic Tax Administration (ETA) initiatives. In addition, attendees can earn up to 18 Continuing Professional Education (CPE) credits for licensed professionals at each forum site and check out the latest tax products offered by top firms in the industry. The complete list of locations for Summer 2001 include:

Location	Date
Philadelphia, PA	July 10-12
Ft. Lauderdale, FL	July 24-26
Dallas, TX	August 14-16
Atlanta, GA	August 21-23
Cleveland, OH	September 4-6
Las Vegas, NV	September 18-20

For more information on fees, or to obtain a registration form, go to www.irs.gov and click on "Tax Professional's Corner". You may also call (301) 593-0200. **IRS/SSA**

Who's Filing Electronic Returns

The IRS electronic filing options for business filers are growing by leaps and bounds. Today IRS is offering electronic filing services to filers of Forms 941 and 940, "Employment Tax Returns", Form 1065, "U.S. Partnership Tax Returns" and Form 1041, "Income Tax Returns for Estates and Trusts".

For Employment Taxes, there are 5 options. Taxpayers can file through either of the following programs:

- 941 e-file, using a Reporting Agent,
- 941 TeleFile, using a Telephone,
- 941 Online Filing, using a Personal Computer,
- 940 e-file, using a Reporting Agent, or
- 940 On-Line Filing, using a Personal Computer.

For Partnership Returns, the 1065 e-file Program is available.

For Estate and Trust Returns, the 1041 e-file/Magnetic Media Program is available.


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Businesses – Make it Easy on Yourself

Since July 2000, many businesses have taken the opportunity to file their Forms 941, "Employer's Quarterly Federal Tax Return", on-line via the internet. The 941 On-Line filing (OLF) program makes it possible for businesses to file via the Web, through IRS approved business *e-file* providers. By filing these forms electronically, returns are processed fast and errors can virtually be eliminated.


IRS has partnered with various private industry companies to bring taxpayers affordable, convenient, user-friendly

e-file options. Businesses can prepare their own returns using the web based software available or elect to have a reporting agent prepare it for them. Check out our Web site to find the most recent addition to our business providers page.

In order to find which service is right for you, click on to our IRS Approved *e-file* for Business Providers page at www.irs.gov/elec-svcs/abp.html. Make it easy on yourself – look for opportunities for free filing for first time 941 filers! 



**941TeleFile:
You can
electronically
file and pay
all at once.**

Small businesses have the opportunity to join the many business taxpayers that file Form 941TeleFile, "Employer's Quarterly Federal Tax Return", using their touch-tone telephone and paying if there is a balance due. When these businesses receive a special 941 tax package, they can file their taxes over the phone and let IRS figure the tax liability, overpayment, or balance due. If they have a balance due they can file and pay all at once. 941TeleFilers can pay their balance due on their Employer's Quarterly Federal Tax Return through electronic funds withdrawal from either their checking or savings account. The prompts within the TeleFile program will instruct business filers to enter their Routing Transit Number and Account Number of the checking or savings account to have the funds withdrawn. For more information on 941TeleFile, visit our Web site at www.irs.gov/elec-svcs/941fact.html. 


Filing Your W-2s on the Internet

At Social Security we know that reporting your employees' wages accurately and quickly is important to you. Now magnetic media submitters can file wage reports over the Internet using the Online Wage Reporting Service (OWRS). During tax year 2000, over 20,000 submitters chose the OWRS option, filing more than 15 million W-2s.

There are many advantages. Using the OWRS to file gives you–

- an additional month to submit wage reports
- more time to spot errors before submission
- the opportunity to test wage report accuracy before submission
- wage report tracking opportunity after submission
- a fast, more accurate and less expensive filing method
- a confirmation of processed totals (Form W-3 data)
- a paperless way to file

To use the OWRS, your wage reports must follow the new Magnetic Media Reporting and Electronic Filing (MMREF) requirements. Use www.ssa.gov/employer/how.htm to learn more about the MMREF requirements. Use www.ssa.gov/employer/esohome.htm to register to file your tax year 2001 W-2s using OWRS.

We're excited to bring Social Security to you through the Internet and invite you to share our enthusiasm for electronic filing. It's no longer the way of the future—it's a choice for today. 

SSA Announces Social Security Agreement With South Korea

Do you have U.S. employees working in South Korea or Korean personnel working in the United States? If so, you may be able to realize substantial tax savings under a new Social Security agreement that was effective April 1, 2001.

The new agreement helps reduce business costs by eliminating double Social Security taxation. Before the agreement, U.S. companies who employed U.S. citizens in South Korea often paid Social Security taxes to both the U.S. and Korea on the same

earnings. Frequently, Korean companies with Korean employees in the United States also paid taxes to both countries. The combined U.S. and South Korean contribution rate could exceed 25 percent of salary. Under the agreement, these workers and their employers are covered and taxed under either U.S. or Korean Social Security, but not both.

The agreement also helps fill gaps in benefit protection for people who have divided their careers between the two countries. Under

the agreement, workers and their families may qualify for partial U.S. or South Korean Social Security benefits based on combined credits from both countries.

In addition to the new agreement with South Korea, the U.S. has Social Security agreements with 17 other countries. If you want to know more about any of these agreements, please visit our Web site at www.ssa.gov/international, or call SSA's Office of International Programs at (410) 965-3548 or (410) 965-3856. **SSA**

Social Security's New Website "For Women"

Do you employ both men and women – working side by side doing the same job and earning the same benefits? As much as you try to make everything equal, it isn't. There are some situations, beyond your control, that women will encounter because of their different work patterns and lifestyles. Although Social Security benefits and coverage are the same for both men and women, research shows that women–

- Live longer than men,
- Earn less than men,
- Are the primary family caregivers, and
- Rely on Social Security for most of their income when they retire

To help the women you employ learn more about how Social Security can affect their future, tell them about the

new Social Security Website, "For Women."

At the "For Women" Website www.ssa.gov/women, they can find basic information about Retirement, Survivors, Disability, Supplemental Security Income, and Medicare benefits. Or, they may want to look at a topic that tells about different stages in life, such as being a new mother, working woman, bride, divorcee, widow, beneficiary, or caregiver. They can get information or learn about resources available for women on –

- How marriage affects a woman's benefits
- How a woman earns protection for her family
- What happens when a woman's marital status changes

- How she can change her name on Social Security records
- Her rights as a divorced wife
- How to get her baby a Social Security number
- Special employment situations
- How she can help her aging parents

We've also provided links to other Federal government Websites for women such as the Department of Labor's "Women's Bureau," the Department of Health and Human Services' "Women's Health," and the Department of Justice's "Violence Against Women Office."

So, whether your employees are young, middle-aged, or elderly women they should visit "For Women." The more a woman knows about Social Security, the more control she has over her financial future. **SSA**

Information Reporting Program (IRP) Seminars and Software Developer Conferences

The IRP seminars and Software Developer Conferences are combined this year to bring you a packed session offered in nine locations. The agenda includes year-end and tax filing topics as well as detailed information about electronic filing from both agencies. For more information, contact the IRS/MCC IRP Call Site at 304-263-8700 between 8:30 a.m. and 4:30 p.m. Eastern time, Monday through Friday. Locations and dates are as follows:

Location	Date
New York, NY	August 21
Raleigh-Durham, NC	Sept. 18
Milwaukee, WI	Sept. 11
Oakland, CA	Sept. 11
Seattle, WA	Sept. 13
Frederick/Baltimore, MD	July 17 (tentative)
Denver, CO	Sept. 5
Des Moines, IA	Sept. 13
New Orleans, LA	Sept. 20 SSA

IRPAC Reminds Employers to Submit Questionable Forms W-4

Remember, you must submit copies of any Form W-4 to the IRS on which an employee either: (1) claims more than 10 withholding allowances; or (2) claims exemption from withholding altogether and his/her wages would normally exceed \$200 per week. You may submit these forms with your quarterly Form 941 report, or separately, with an accompanying cover letter that provides your name, address, and EIN. Form W-4 may also be reported on magnetic media. (See Publication 15, *Employer's Tax Guide*). Complete boxes 8 and 10 on any Form W-4 you submit, and include written employee statements in support of the accompanying claims. You may also wish to advise the employee that you are required to submit his/her Form W-4 to the IRS. Unless you receive written notification from the IRS with instructions to the contrary, calculate withholding based on the Form W-4 provided by the employee.

Should you receive IRS notification with respect to a specific employee, calculate withholding pursuant to IRS instruction. The employee will receive notification of the change from the IRS directly. If the employee subsequently provides a new Form W-4, calculate

Who's Filing Electronic Returns

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Participation in either program is easy. For 941TeleFile no application is needed; however, the special tax package must be received. For all other programs, IRS requires only one application to be completed regardless of how many types of returns you may have a need to file. Make your selection on Form 9041, "Application for Electronic/Magnetic Media Filing of Business and Employee Benefit Plan Returns", by checking the applicable return types you want to file. An electronic application is available for taxpayers that participate in the 941On-Line Filing Program. IRS will process your application within 45 days and advise you of the acceptance or rejection of the application.

For details on electronic filing, visit the IRS Web site at the following address: www.irs.gov

You may also reach the IRS Help Desk at the Austin Submission Processing Center by calling (512) 460-8900 for assistance with the application process. **IRS**

withholding consistent with the substituted Form W-4 only if the employee does not claim exempt status, and claims fewer withholding allowances than provided in the IRS' notice. Failing either requirement, continue to withhold based on IRS' instructions.

The Information Reporting Program Advisory Committee ("IRPAC") advises the IRS on information reporting issues of mutual concern to the private sector and the federal government. The Committee works with the Commissioner of Internal Revenue, Operating Division Commissioners, and other IRS executives to provide information and recommendations on a wide range of Information Reporting Program administration issues. As such, the Committee's advice assists the Service in executing Information Reporting Program objectives while ensuring fairness to taxpayers. The IRPAC is composed of a diverse group of individuals who bring exceptional skills and a breadth of experience – from major national professional and trade associations, to colleges, universities and state taxing agencies – and represent various segments of the information reporting community. **IRS**

Tax Credit for Businesses Complying with the ADA

President Bush is urging small businesses to take advantage of the Disabled Access Credit, a tax incentive program created in 1990, to help them comply with the Americans with Disabilities Act (ADA). Read about the President's New Freedom Initiative at www.whitehouse.gov/news/freedominitiative/index.html.

Businesses with 30 or fewer full-time employees, or total revenues of \$1,000,000 or less, may use a credit of up to \$5000 a year to offset costs of altering facilities, using interpreters, or other steps to improve accessibility for customers or employees.

To order a free *ADA Guide for Small Businesses* or *ADA Tax Incentive Packet*, contact:

800-514-0301 (voice) / 800-514-0383 (TDD) / www.usdoj.gov/crt/ada/adahom1.htm **DOJ**